Licensed and installed capacity of Paper Industry

201. SHRI SURENDRA SINGH THAKUR: Will the Minister of INDUSTRY be pleased to state:

(a) what is the licensed and installed capacity in the paper industry;

(b) whether it is a fact that many paper mills in the Private Sector are sick and cannot utilise their licensed capacity;

(c) if so, what are the reasons therefor;

(d) what is the policy of Government towards these sick mills;

(e) whether Government have provided financial assistance and raw material to these sick units; and

(f) if so, what are the details relating to some of the prominent paper mills in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) As on 1.1.1987 the installed capacity for manufacture of paper and paper-board was 27.58 lakh tonnes. In addition, a capacity of 1.95 lakh tonnes, covered by way of Industrial Licences, is under implementation.

(b) and (c) Apart from the closure of some of the paper mills, the reasons for under utilisation of installed capacity in the industry are inadequate availability of raw materials, coal and power, rising costs of various inputs, obsolescence of technology and equipment, absence of chemical recovery and effluent treatment system for small paper mills etc.

(d) to (f) The Institutions and Banks have been extending need-based reliefs and concessions to the paper mills on a case to case basis and have been following a liberalised policy towards modernisation. Government have also granted various fiscal and financial reliefs to the industry from time to time to enable it to improve its capacity utilisation and financial viability. These include the facility of import of cellulosic raw materials required by the paper industry under OGL. A Board for Industrial and Financial Reconstruction has been set up in terms of the Sick Industrial Companies (Special Provisions) Act, 1985, with wide ranging powers, for taking various measures pertaining to sick industrial companies, falling within the purview of the Act.

New automobile policy

202. SHRI PRAMOD MAHAJAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Central Government are proposing to declare a New Automobile Policy; and

(b) if so, what are its salient features and by when it is likely to be implemented?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) The matter is still under consideration of the Government.

Functioning of KVIC

203. SHRI J. P. GOYAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to a news-item which appeared in the 'Indian Express' dated the 21st August, 1987 under the caption 'Study criticises KVIC functioning' wherein it has been stated that a UN sponsored study conducted by the Centre of Women's Development Studies found the State level functioning of the